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ABSTRACT

The increase of poverty on Wisconsin farms in the late seventies is in contrast to the nonfarm sector in Wisconsin and to the trend of decreasing poverty in the nation. The federal formula for determining poverty levels uses personal income, the cost of a nutritionally adequate diet, and an assumption that food costs are one-third of a family's total living costs. However, because of the food which can be produced on a farm, poverty levels of farm families are set at 85% of the level established for non-farm families. A graph of available secondary data shows that while the percentage of farm poor is lower than in 1964, it apparently increased in the late 1970's. Why does this poverty persist? Prior research and studies supply some clues: ineligibility or nonparticipation in federal income and welfare programs; the high cost of farm resources for beginning farmers; low quality farm resource with low productivity; and the effect of advanced age of the farm operator on earnings and on unplanned expenses such as health costs. To reduce farm poverty, action must be initiated by rural educators and lenders, government policymakers, clergy and churches, citizen advocates, and public service agencies. (AN)

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CHANGES IN FARM POVERTY IN WISCONSIN

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Changes in Farm Poverty in Wisconsin

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ABSTRACT

Secondary data sources are used to demonstrate that farm poverty in Wisconsin increased in the late seventies in contrast to the nonfarm sector in Wisconsin and the downward trend in the nation. Reasons for the persistence of farm poverty are discussed and selected characteristics of the farm poor are reported.

Changes in Farm Poverty in Wisconsin

Most farm families in the United States live on farms selling less than $20,000 agricultural products per year. These are small farms in terms of volume of farm production and account for only 10% of farm products sales in the country. However, such farms are the homes of 70% of all farm families (U.S. Bureau of the Census, 1977).

Not all families living on small farms are poor families. Many Wisconsin families on small farms are doing well financially by combining nonfarm employment and income with their farm business. Nevertheless, a substantial number of farm families suffer serious economic difficulties. Their net family income from all farm and nonfarm sources is inadequate to provide what our society considers to be a minimal acceptable standard of living. Even amid the appearance of general abundance and affluence in rural Wisconsin, poverty persists.

There is an emerging awareness that federal farm commodity programs aimed at solving problems in farm production do not necessarily deal with the income problems of the majority of farm people (Bergland, 1979). Evidence of this awareness includes participation by small farmers in nationwide series of small farms conferences conducted by federal agencies (U.S. Department of Agriculture, 1978), implementation of limited resource farm loans by the Farmers Home Administration in all states, initiation of small farms workshops by national rural advocate groups (Rural America, 1977; National Rural Center, 1978), development of educational programs for small farmers in many states, including Wisconsin, Minnesota, Michigan,

and Iowa (U.S. Department of Agriculture, 1979; Saupe et al., 1971) and a national dialogue on the structure of agriculture called for by the secretary of agriculture. While individually, each of these activities may focus on slightly different subgroups of small farms, collectively they reflect a growing concern about the well-being of the numerous families on smaller farms in the American agricultural system.

This report deals with the incidence of poverty in Wisconsin's small-farm sector, the circumstances and characteristics of low income farm families, and the changes in the situation in recent years.

WHO SHOULD BE CONCERNED?

For the 95,000 Wisconsin farm persons whose income was below or only slightly above the poverty level in 1975, their disadvantaged circumstances were very real. There often would be reminders that they were not sharing in what most others had. Their lack of personal access to the levels of consumption enjoyed by most Wisconsin residents would be a continuing problem for them. But who else should be concerned about these farm families living in poverty in Wisconsin?

- Citizens and advocates who are unwilling to enjoy individual affluence while neighbors wrestle with serious economic hardships.
- Rural clergy and churches who may find that the poor will be with us always in their own local parish or community, not just in far-away missions.
- Local merchants and others interested in community development who would gain from increased local income and spending.

- Agricultural lenders who must understand the expenditure and debt servicing problems of low income farmers in order to responsibly extend needed credit.
- Agricultural educators for whom low income farmers constitute a clientele who could greatly benefit from agricultural advice but who require unique teaching methods and instruction.
- Public service and welfare agencies who must overcome the problems of how to identify low income farm families and how to reduce the relatively high per unit cost associated with a widely dispersed audience that historically has not used their services.
- Legislators along with state and federal program managers who must identify and respond to a serious need from a constituency extensive in number but neither well organized nor vocal.

CHANGES IN WISCONSIN FARMING

In the 1970's, Wisconsin farmers faced significant changes in the agricultural scene. Changes in the size and composition of the rural work force as well as the number of farms, oscillations in farm product prices and costs of inputs, changes in federal farm policy in response to agricultural abundance, and other factors affected the Wisconsin agricultural sector. In many ways, the seventies were the worst of times and the best of times. In analyzing the changing fortunes of Wisconsin agriculture, an important question to consider is how the changes affected the number of economically disadvantaged persons found in the agricultural sector.

Wisconsin farming was influenced by events both within and without the agricultural sector. For example, the number of persons employed in farming gradually declined in the seventies (U.S. Bureau of Census, 1977). More farmers combined farming and nonfarm employment to supplement their incomes, and now more than half of the income of Wisconsin farm families comes from non-farm sources (Saupe and Weber, 1974). The increase in part-time farmers coincides with a major reversal in nationwide migration patterns exemplified by a net relocation from urban to rural surroundings (Beale, 1975). On other fronts, in the late 1970's farmers enjoyed increasing prices for important Wisconsin farm commodities, particularly milk (Wisconsin Agricultural Reporting Service, June 1979). Low income farmers became aware of and began using food stamps along with other forms of public assistance and services long available and widely used by eligible urban persons (McDonald, 1975-1977).

The positive side of the seventies, however, is offset by the problems of inflation and energy shortages. The prices of land and dairy cattle increased very rapidly in the late 1970's as interest rates went up, causing serious financial problems for beginning farmers. Machinery prices, farm energy costs, and prices of other purchased inputs advanced steadily. Nevertheless, on balance, the last part of the decade held relatively good years for most Wisconsin farmers (Wisconsin Agriculture Reporting Service, June 1979).

This may contribute to the idea that the agricultural sector has few low income farmers. In spite of outward appearances, however, the economically disadvantaged still make up a significant percentage of the farm population.

WHAT IS POVERTY?

A fundamental issue in discussing income problems is how poverty is to be defined. Many lay persons and scientists have attempted to define this elusive concept. When rural Wisconsin residents were asked to define poverty in a study a decade ago some of the responses were: "having nothing to eat and wear," "don't have enough," "being broke," or "someone else must help support." These few answers suggest the diverse perceptions of poverty and the difficulty of formulating a simple definition, particularly one that permits measurement.

There have been many attempts to define poverty as a measurable level of need. Family income level has become the benchmark most widely used by the government for classifying people as either poverty-stricken or not. Poverty thresholds based on income have provided a quantifiable dimension for determining the number of poor in our society. In this report we used these federally established guidelines of family need to determine poverty levels.

The federal formula, which uses personal income levels to establish a standard of poverty, has changed over the years. In 1963 and before, an income level of $3,000 for families of all sizes and places of residence, or $1,500 for unrelated individuals was specified as the federal poverty line (Orshansky, 1965). This changed in 1964, when the poverty index was first based on the cost of a nutritionally adequate diet and the assumption that food costs were one-third of total family living costs. Subsequent published reports concerning poverty used this formula,

adjusted annually, to reflect changes in food costs. It is now adjusted annually for changes in the consumer price index, a broader based measure of changes in the cost of living.

Since the main concern in this report is the income of farmers, it is important to note that federal guidelines on poverty are applied to the farming population in a unique way. Using a 1960's study which found that the value of food produced by farm families for their own use was an important component of their total food budget, the federal government set poverty levels for farmers at 85% (70% prior to 1969) of the poverty level established for nonfarm families of the same size (Orshansky, January 1965). In other words, because the farm family has less cash costs for food, farm families were believed to require less cash income than nonfarm families to have an equivalent standard of living.

The estimated poverty income thresholds for 1980 set forth in Table 1 are based on those computed for 1977 by the U.S. Bureau of the Census (July 1978). The standards are weighted for family size, age and sex of the head of the household, and farm or nonfarm residence. For example, a farm family of four with a male head must receive income of less than $6,590 per year in order to be classified as poor, i.e., to be below the poverty level in 1980 (see Table 1).

The meager level of living provided under this poverty definition allows only 50 cents per person per meal plus three dollars per person per day for clothing, health, auto expenses, recreation, education, and all other components of family living expenses. Seen concretely, the thresholds, although they may seem arbitrary, clearly represent a very disad-

Table 1

Estimated Poverty Level Thresholds in 1980

Size of Family	Nonfarm		Farm	
	Male Head	Female Head	Male Head	Female Head
One, under age 65	$ 4,090	$ 3,780	$ 3,480	$ 3,210
One, age 65 or older	3,680	3,630	3,120	3,210
Two, head under age 65	5,130	4,980	4,350	4,110
Two, head 65 or older	4,590	4,560	3,920	3,850
Three persons	6,080	5,900	5,140	4,870
Four persons	7,760	7,710	6,590	6,520
Five persons	9,170	9,060	7,810	7,800
Six persons	10,350	10,250	8,790	8,810
Seven persons	12,820	12,500	10,890	10,920

Note: Estimated by increasing the 1977 poverty thresholds by 24%, on the assumption that there would continue to be about 8% annual increase in the consumer price index (and thus the poverty threshold) each intervening year.

vantaged economic situation for the family. Therefore, this study has adopted the imperfect but useful federal guidelines to measure the number of economically disadvantaged farm persons in Wisconsin.

CURRENT POVERTY LEVELS

The incidence of rural poverty in Wisconsin and selected characteristics of the rural poor have been studied in the past (Saupe, 1968, 1974; Saupe and McCabe, 1974; Saupe and Weber, 1974). The next detailed studies using a Wisconsin sample will likely be in the early 1980's, based on the 1980 Census of Population. In the interim, estimates of current levels of farm poverty in Wisconsin are only approximate. Comparisons are based in general on available secondary data sources (U.S. Bureau of the Census, July 1978, 1978, 1972, 1973, April 1978). Different sources provide different information.*

What these sources reveal about Wisconsin farm poverty over time is shown in Figure 1. The heavy continuous line in the middle of the graph shows the percentage of all persons in the entire country who were impoverished for each year from 1960 to 1978. This information was obtained by a large survey each year and reliably depicted year to year changes (U.S. Bureau of the Census, April 1978). As can be seen in the figure, the poor became a smaller proportion of the country's population during the

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*Among these, the Census of Agriculture (U.S. Bureau of the Census, 1977) focuses mainly on agricultural production, contains little farm family information, and does not include total net family income. The Census of Population (U.S. Bureau of the Census, 1972, 1973) focuses on family and income data, contains little farm information, and is similar in this regard to the annual Current Population Survey (U.S. Bureau of the Census, July 1978, 1978, April 1978). Comments regarding comparability of data sources are included in the Appendix.

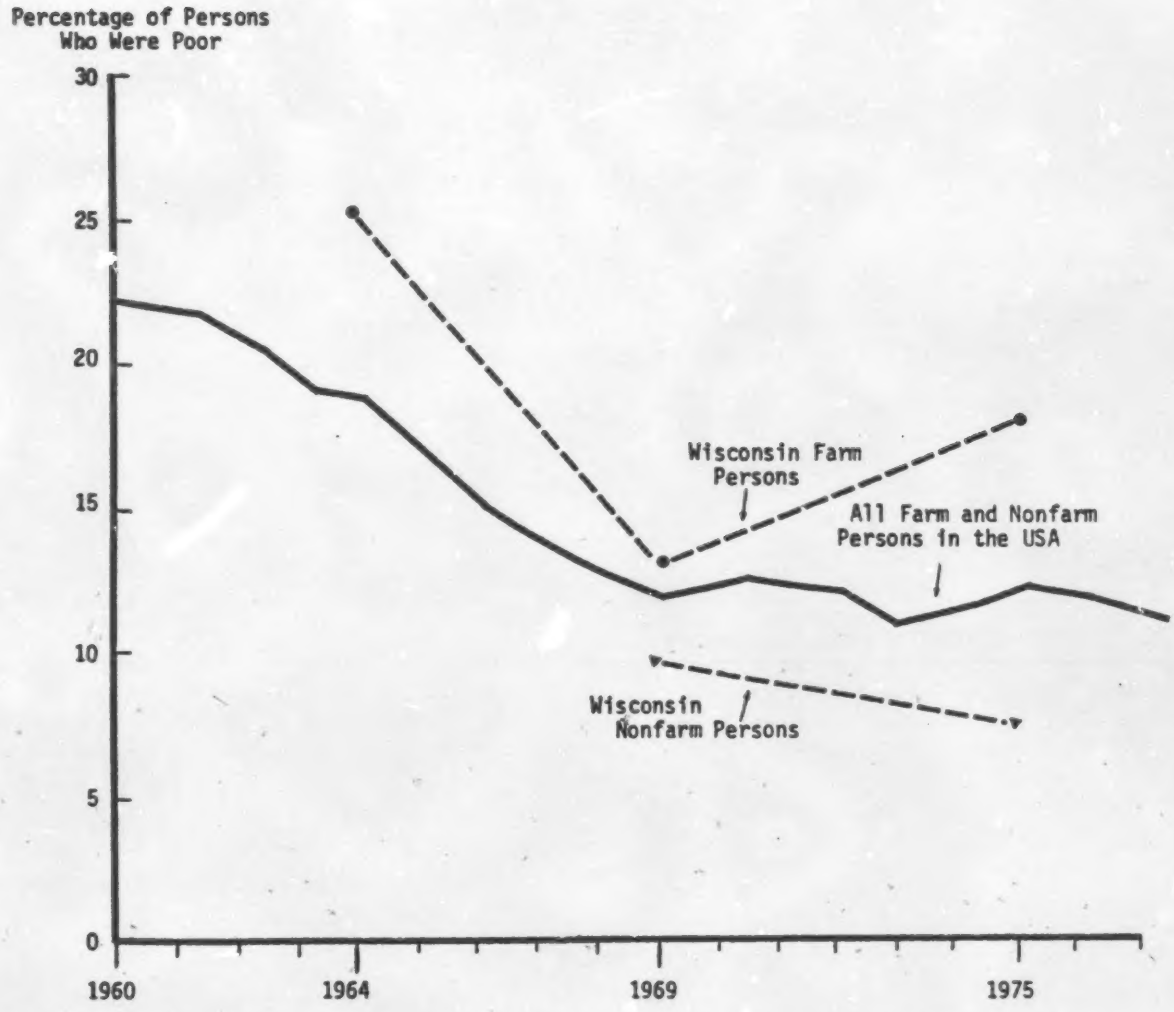

Figure 1: Percentage of Persons Below Poverty Level Income, Wisconsin and United States.

Sources: U.S. Bureau of the Census information (1972, 1973, 1978 and 1979) and Saupe (1968).

period covered, declining from 22% in 1960 to 11% in 1978, with a leveling of the trend late in the decade. This occurred in spite of the annual upward revisions of the budgeted poverty thresholds to account for increases in the cost of living. Increases in the percentage in poverty during some years in the seventies reflects the general economic problems of unemployment and inflation in those years.

The lower dotted line in Figure 1 connects the estimates of the percentage of Wisconsin nonfarm persons in poverty in 1969 and 1975. These estimates are based on large samples and are reliable for those two years. The dotted line connecting them can be interpreted only as the general direction of change; it does not portray a year by year path from the first point to the second. These estimates show that: (a) the percentage of nonfarm persons in poverty in Wisconsin was lower than the percentage of all urban and rural persons in the nation as a whole; and (b) similar to the observed trend for the nation, the percentage decreased somewhat between 1969 and 1975, from about 10% to a little less than 7%.

The uppermost dashed line in Figure 1 connects the estimates of the percentage of all Wisconsin farm people in poverty for 1964, 1969, and 1975. Again, the estimates for 1969 and 1975 are based on large samples and may be considered reliable for those two years. The analysis from which the 1964 estimate was made was in some ways less precise, but the estimate is reasonable considering the general trend shown for the United States in the figure and when compared with national reports of farm poverty in that era (U.S. Bureau of the Census, 1979). The dashed line connecting the three years does not show the year by year change but only the general path.

In spite of the data limitations, the following points emerge: (a) the percentage of farm poor in Wisconsin is higher than the percentage of the nonfarm population that is poor in the state; (b) the percentage of Wisconsin farm families in poverty is higher than the national incidence of poverty among families; and (c) while the percentage of farm poor is lower than in 1964, it apparently increased in the late 1970's. The incidence of poverty among farmers in Wisconsin is probably twice as great as among the state and national population as a whole.

The data shown in Figure 1 may be sketchy, but they do make one thing clear: poverty on Wisconsin farms is a problem that has not been eradicated by more favorable economic times. Additional supportive evidence comes from analyses based on a sample drawn from the income tax returns of Wisconsin residents conducted by researchers in the Wisconsin Department of Revenue (Glicklish, 1979). Their sample included about one thousand persons who had filed a federal income tax form Schedule F for 1974 to report farm income or losses. From the completed returns of these Schedule F filers, analyses were made that included estimates of the incidence of poverty among Wisconsin farmers. Their point estimate for 1974 was 20%, with a high probability that the percentage for the farm population fell between 17 and 23%.

The existence of the economically disadvantaged in Wisconsin agriculture may go unnoticed in times of plenty. However, the statistics show that there are significant numbers--almost one-fifth of the Wisconsin farm population--who fall below the federally established guidelines for poverty level income.

To reinforce this point, it may be helpful to examine statistics which compare the degree of poverty in urban compared with rural places of residence in Wisconsin, as displayed in Table 2. The upper panel of Table 2 displays the number of poor in Wisconsin in 1975 (U.S. Bureau of the Census, 1978). It is divided into two parts: farm and nonfarm occupations. The latter includes both rural and urban persons as long as their main occupation is not farming. The figures in the lower panel separate the population by place of residence: central city, outside the central city, and outside the metropolitan areas (i.e. rural). Almost all farmers have rural places of residence, but rural also includes many nonfarmers living in small towns and the open countryside.

Perhaps most striking is that the percentage of persons below the poverty line is about the same for those living in the central cities as for those outside metropolitan areas, 9.2% and 9.6%, respectively. This means that, in spite of the high visibility and awareness of poverty in the inner cities, the percentage is about the same as that in rural areas. Furthermore, the level of farm poverty, 18%, is much higher than that found in central cities or in rural areas. This difference remains even when the near-poor, those at 125% of the poverty level, are considered. The percentage of near-poor found on farms, 24%, is still roughly twice the rate found in central cities.

However, it is also clear from Table 2 that the majority of the poor (in terms of numbers of persons) live in nonfarm locations. The greater numbers and higher visibility when concentrated in the central

Table 2

Persons Below Poverty Threshold and 125% of Poverty Threshold, 1975.

	Persons				
	Total	Poverty Level		125% Poverty Level	
		No.	%	No.	%
	(000)	(000)		(000)	
Nonfarm	4,175	281	6.7	434	10.4
Farm	395	71	18.0	95	24.1
Total	4,570	352		529	
Metropolitan Areas[a]					
Central City	1,327	122	9.2	172	12.9
Outside Central City	1,321	45	3.4	71	5.4
Outside Metropolitan Area	1,921	184	9.6	287	14.9
Total[b]	4,569	351		530	

Source: From Table 8C of U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 111 "Money Income and Poverty Status in 1975 of Families and Persons in the United States" Spring 1976 Survey of Income and Education. U.S. Government Printing Office, Washington, D.C., 1977.

[a]Includes all of Brown, Calumet, Dane, Douglas, Kenosha, LaCrosse, Milwaukee, Winnebago, Outagamie, Ozaukee, Racine, Washington and Waukesha counties.

[b]Totals in upper and lower panels differ because of rounding.

cities may account for the greater public awareness of the urban poor. But while the nonfarm poor in Wisconsin decreased more or less continuously from 368,000 in 1969 to 281,000 in 1975, the best estimates show an increase in the number of farm poor from 54,500 in 1969 to 71,000 persons in 1975 (U.S. Bureau of the Census, 1977).

WHY DOES FARM POVERTY PERSIST IN WISCONSIN?

The number and percentage of nonfarm poor in Wisconsin and the nation decreased markedly in the 1960's. But both the percentage and the number of Wisconsin farm persons in poverty increased between 1969 and 1975, our last good benchmarks. Why does farm poverty persist?

It would be easier to discuss why it should have decreased. There have been substantial federal and state efforts to reduce poverty, including increases in breadth and level of income support provided by such universal programs as Aid to Families With Dependent Children (AFDC), Supplemental Security Income (SSI) and Food Stamps (FS). Federal agricultural programs have stabilized and raised market prices of major farm commodities, and the price of milk, the major Wisconsin farm commodity, reached the highest prices ever in the late 1970's. The Agricultural Credit Act of 1978 provided funds to selected limited resource farmers for major real estate and operating loans at very low (3% and 5%, respectively) subsidized rates. Extension education programs for smaller farms were underway in 30 states including Wisconsin by 1979, and the evidence indicates that they are effective in increasing the economic well-being of the farm families (Orden and Smith, 1978; West et al., 1975). In short, there were many forces that should have reduced farm poverty.

In 1964, an annual income of $2,400 was needed to raise a farm family of four above the poverty line, and by 1969 this had increased to $3,200. In 1979, $5,700 was needed for that same family to remain out of poverty. As the cost of living increases--the cost of food, fuel, health care, housing, and all the other necessities a family must buy--so does the income level necessary to provide the minimal acceptable standard of living. Apparently, the income level of some Wisconsin farm families has not increased as much as the poverty line from year to year. How can that be, in light of the Federal antipoverty and agricultural support programs?

An explanation for this problem may be found in further examination of the distribution of benefits from government programs. For example, farmers are generally not eligible for AFDC benefits, which go primarily to single parent or unemployed parent families with dependent children. To be eligible for SSI, a person must be eligible to receive Social Security benefits for reason of age or disability, so many farmers are ineligible. Low income farm families may be eligible for food stamps, but participation by eligibles in rural Wisconsin in the early seventies was at one of the lowest rates in the nation (McDonald, 1975-1977; U.S. Department of Agriculture, 1975).

Furthermore, direct benefits from agricultural commodity programs go only to the producers of those commodities, and the payment received is tied closely to the volume of production. Smaller farmers are assisted by commodity price programs, but with a low volume of production, their payment

may be quite small. The subsidized credit program for limited resource farmers was constrained to about 80 families in Wisconsin in 1979, a small part of the total eligible. Finally, while Extension and other instructional programs for small farmers have been very effective, they also are small in scale, reaching less than 500 Wisconsin farm families in 1979.

If these state and federal programs did not exist, farm poverty likely would be more prevalent. Nevertheless, national farm commodity and welfare programs clearly have neither eliminated Wisconsin farm poverty nor reduced it to the levels of poverty as among the remainder of the nation's citizens. The circumstances of the farm poor are not well enough known to answer all questions about the persistence of farm poverty.

CHARACTERISTICS OF THE FARM POOR

What is known about Wisconsin's farm poor is based on older research and case studies from selected areas of the state. While current survey information would be preferable, these observations may still be useful benchmarks. To facilitate use and interpretation, the date and citation for each study are included.

Location and Poverty. The percentage of all farm persons who were in poverty was found to be highest in the unglaciated southwest and in the northernmost counties of Wisconsin, and lowest in the southeastern one-third and in other areas with larger towns or close to major urban areas in 1969 (Saupe, 1974). But the number of farm people who were poor is more important. They were located in every county in Wisconsin with a farm population.

There were greater numbers of low income farmers in the heavily populated counties of southern and southeastern Wisconsin than in the sparsely populated counties of the north.

Nonfarm Work and Poverty. On the majority of farms in Wisconsin and the nation the head, spouse, or both have part- or full-time jobs off the farm to add to their net farm income. In Wisconsin and other midwestern states in the early 1970's, the incidence of farm poverty was highest among the farms without this nonfarm source of income (Saupe, 1974). Once a transitory situation for families moving into or out of full-time farming, merging of these two sources of income has now become the normal means of providing an adequate level of income for many farm families.

Age and Poverty. Among rural Wisconsin (farm and nonfarm) household heads age 63 or older in 1967, 39% received income at 125% of the poverty level or less, compared with 15% of those aged 21 to 62 (Saupe and McCabe, 1974). Among the farm poor age 63 or older, farming was the major source of income, while the nonpoor had other sources as well in 1967. Less than half the older farm poor received Social Security benefits, compared with 80% of the nonpoor (Saupe and McCabe, 1974).

Less than half the older rural (farm and nonfarm) poor had life insurance, 40% reported a handicap that interfered with work to some degree, and more than three-fourths reported no health insurance in 1967. One-third of the older farm poor in Wisconsin lived in substandard housing in 1967, lacking one or more of the amenities of hot running water, flush toilet, or bathing facility (Saupe and McCabe, 1974).

Beginning Farmers. The imbalance in cost of farm resources compared with the earnings of farm resources faced by many beginning farmers in Wisconsin can be illustrated with data from a small group of beginning farmers enrolled in an on-farm training program of the Western Dairyland Economic Opportunity Council, Whitehall, Wisconsin. In 1978 they averaged $143,000 value of farm assets and $95,000 in farm debts. From this $48,000 in net worth and their own labor and management, they generated $5,000 net cash operating income in 1978, a little below the poverty level for families of their size (unpublished data provided by the Council).

PROBLEMS REPORTED BY SMALL FARMERS

Eight Wisconsin small farmers were among 88 who participated in a regional small farms conference sponsored jointly by the United States Department of Agriculture, the Community Services Administration, and Action in Des Moines, Iowa in 1978 (U.S. Department of Agriculture, et al., 1978). The purpose of the conference was to encourage small farmers to discuss their major problems as guides for policymakers and public program managers. The problems most prominently reported were similar to problems felt by all farmers, e.g., credit, taxes, product prices, and inflation. Other problems touched on were unique to small farms, such as a need for appropriate small scale technology, education for small farmers, access to health insurance, access to irrigation water, and representation on state and local agricultural committees.

UNANSWERED QUESTIONS

This report establishes that there remains a substantial degree of poverty among Wisconsin's small farmers. Prior research and studies may not provide complete answers, but they do supply some clues regarding the persistence of poverty: ineligibility or nonparticipation in federal income and welfare programs; for beginning farmers the high cost (relative to earnings) of farm resources; limited nonfarm employment opportunities for some farm families; low quality farm resource with low productivity (particularly land); and the effect of the advanced age of the farm operator on earnings and on unplanned expenses such as health costs.

If reducing farm poverty is an appropriate public goal, then more complete answers are needed. This report constitutes an initial step, calling attention to this serious problem hidden within our agricultural sector. Any action that follows must be initiated by Extension and other rural educators, citizen advocates, rural clergy, rural lenders, public service agencies, and state and federal policymakers and program managers.

APPENDIX

The primary objective of this study was to provide a description of rural poverty trends for Wisconsin in recent years, particularly focusing on the farm population. Earlier reports were written for 1964 and 1969 data, utilizing the Census of Agriculture and the Census of Population, respectively. Extending the analysis to a more recent year was possible through the use of these sources and two Bureau of the Census surveys, the annual Current Population Survey (CPS), and a special inquiry, The Spring 1976 Survey of Income and Education (SIE).

The comparability among the four sources was adequate, especially for the Census, CPS and SIE. A report released in January 1978 dealt particularly with the accuracy and comparability of the SIE in relation to both the CPS and the 1970 Census. It indicated a strong agreement on estimates between the CPS and SIE, and, furthermore, that the SIE and Census were essentially comparable in their measurement of the distribution of poverty among states (U.S. Department of Commerce and U.S. Department of Health, Education, and Welfare, 1978).

The information from the 1964 Census of Agriculture used in preparing the analysis of impoverished farm persons in Wisconsin were averages by size of farm classes. While not derived from a sampling of persons on farms, they are comparable with information taken from the other three sources.

The 1970 Census of Population data were obtained by the Bureau of the Census through 5 and 15% samples of the population. A questionnaire was delivered by mail before Census Day, April 11, 1970, and then returned by the same means. The urban population consisted of all persons living in urbanized areas and in places of 2,500 inhabitants or more. The population not so classified constituted the rural population.

The farm population was defined as rural residents living on: (a) ten or more acres with $50 or more in sales of farm products; or (b) acreage less than ten acres but farm product sales over $250. The metropolitan population consisted of people residing in Standard Metropolitan Statistical Areas, which in general were defined as a county or group of contiguous counties which contained at least one city of 50,000 inhabitants or more.

The Current Population Survey is a monthly inquiry dealing mainly with labor force data. Each March, however, supplementary questions are asked concerning money income and work experience for the previous year. Approximately 47,000 households were in the sample interviews obtained.

National estimates of children in poverty families, the distribution of income and other related statistics have usually been based on CPS information. However, a larger survey, the SIE, was mandated in order to estimate for each state the number of children in poverty families. The methodology of the CPS provided the essential framework for the SIE. In all, the final SIE sample consisted of 191,459 housing units, or roughly four times that used for the CPS. In Wisconsin 3,518 households were sampled with 1,134 from Milwaukee (central city and noncentral city), 249 in Madison, 201 in Appleton-Oshkosh, and for the remainder of the state (metropolitan and nonmetropolitan) 1,934. The residence categories of farm-nonfarm, metropolitan-nonmetropolitan and central city residence which are fundamental to this analysis were identically defined in both the CPS and SIE.

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